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UNCLAS SECTION 01 OF 03 DUSHANBE 000169

SIPDIS

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DEPT FOR SCA/CEN

C O R R E C T E D C O P Y (PARA MARKING CHANGE)

E.O. 12958: N/A
TAGS: PGOV PREL TI
SUBJECT: TAJIK PRESIDENT RESHUFFLES GOVERNMENT, SAYS
COUNTRY,S PROBLEMS ARE NOT HIS FAULT

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11. (SBU) Summary: On January 25 and 26, the Government of Tajikistan met to discuss its performance during 2007, and to outline its plans for 2008. President Rahmon presided over the session from a flower-adorned stage in one of the Presidential Palace,s large halls. Ministers and regional government representatives made presentations from podiums on the floor of the hall, and President Rahmon directed questions, comments, and criticism at them from the stage. At the conclusion of the meeting, Rahmon announced a government reshuffling. President Rahmon used the government session to lay blame for the country,s woes at the feet of his ministers and other civil servants, and he used the reshuffling to perpetuate the illusion that he is committed to reform. End summary.

It,s the Emomali Rahmon Show, Starring...

- 12. (SBU) While the intent of the session was ostensibly to review the work of the government, President Rahmon used the opportunity to reinforce his image as a strong leader surrounded by underperforming subordinates. The televised portions of the session showed President Rahmon empathizing with the problems of the average Tajik, criticizing energy officials for squandering resources, and berating those who failed to implement economic reforms. He used an authoritative) and at times condescending) tone to bark out orders, broadly outlining measures to address the difficult situation affecting most Tajiks.
- 13. (SBU) President Rahmon also took the opportunity to dress down a major political rival, Mahmadsaid Ubaidulloev, the Mayor of Dushanbe. Rahmon went through a litany of problems that he attributed to Ubaidulloev,s administration, accusing him of ignoring basic public services. He said that Dushanbe did not look like the capital of a country, adding that he felt embarrassed to show off areas outside the city center to visitors. Ubaidulloev was visibly agitated, and he was the only official who did not refer to President Rahmon as &your respected excellency.8 However, he did not fight back, and he said that his administration &would improve.8

Don,t Blame Me) I,m Just the President

14. (U) While Rahmon heard from representatives of all

government offices during the two-day session, televised portions focused on four areas: economics and finance, energy, agriculture, and social issues. These are the areas in which President Rahmon,s government has come under increasingly overt criticism recently.

- 15. (U) Rahmon acknowledged the economic hardships facing most Tajiks, and he gave the Ministers of Finance, Economy, and Industry six months to a year to implement reforms. He said that Tajikistan has received enormous loans and credits, but that the financial sector has not been strengthened. He demanded that at least one &free economic zone8 be opened in Tajikistan before mid-year. He questioned why, in 15 years, government officials have failed to make significant economic improvements.
- 16. (U) Rahmon also acknowledged the frustration of most Tajiks about the severe energy shortages and the high cost of fuel. He criticized the Ministry of Energy and the power companies (mainly state-owned electricity monopoly Barki Tojik), ordering them to improve their fee collection QTojik), ordering them to improve their fee collection mechanisms, renovate existing thermo-electric plants in Dushanbe and Yovon, and build smaller hydro-power stations, as Gorno-Badakhshan has done. He berated energy managers, adding &I am humiliating myself by begging for energy from other countries, and you are just giving it away8 by not collecting fees.

Up With Cotton

¶7. (U) Rahmon addressed all of those involved in the cotton sector in direct terms. He said that the government had allocated 110 million somoni to address the current cotton crisis, but he said that &we will not give 1 diram to extinguish cotton debts.8 He directed the Minister of Agriculture and Deputy Prime Minister to put on a pair of boots, roll up their sleeves, and &get working.8

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18. (U) Rahmon identified corruption as having affected the government,s ability to provide social services. He said that \$10 million may have been misappropriated by the Ministry of Health, and that irregularities had been reported regarding agencies involved in determining land use rights. He ordered the Prosecutor General and Anti-Corruption Agency to look into the allegations.

And Now, the Changes

- 18. (SBU) At the end of the session, Rahmon announced a government reshuffling. The changes related directly to the problems that Rahmon identified during the government session, and they showed that Rahmon is committed to ensuring that Kulyobis dominate his administration. Curiously, the most anticipated change did not occur. While the current Prime Minister, Oqil Oqilov, has reached retirement age, the President did not replace him.
- 19. (U) The President placed old hands with dubious backgrounds into positions that relate directly to the cotton sector. Muradali Alimardon, fired from his position as National Bank Chairman, assumed a newly created position, Deputy Prime Minister for Agricultural Affairs. Qosim Qosimov, who had been Governor of Sughd Oblast, became Minister of Agriculture. As National Bank Chairman, Alimardon was intimately involved in the spiraling cotton sector crisis, and he was known as &President Rahmon,s personal cashier.8 Qosimov is widely reputed to be a mafia kingpin who was loyal to the Kulyobis while governing the country,s Northern province. These two officials will be charged with reforming the cotton sector.

- ¶10. (U) Changes in the finance sector have brought in new blood. The new National Bank Chairman is Sharif Rahimzoda, who has a well-established reputation in finance. He was the National Bank,s First Deputy Chairman from 1993-2001, and was Tajikistan,s Ambassador to the European Union and NATO from 2001-2006. He was also briefly Chairman of both the State Committee on Financial Control and the State Committee for Investment and Property. All 3 National Bank Deputy Chairmen were removed and replaced by Jamshed Yusupov (a long term employee of the Bank) and Malohat Kholiqzoda, one of Rahmon,s senior economic advisors. The new Chairman of the State Committee on Investments, Farrukh Khamroaliev, is a well-regarded economist from Rahmon,s office. Khamroaliev participated in an EXBS program in the United States in 1996, and his wife worked for USAID until recently.
- 111. (U) The Deputy Prime Minister for Social Affairs, the Minister of Health, and the Director of the Agency on Land Management were all replaced. The new Deputy Prime Minister, Rukiya Kurbonova, is the former Chairman of Kurgonteppa municipality. The new Minister of Health, Nusratullo Salimov, had been the Deputy Minister and is from Kulyob. Post has little information about the new Land Management Director, Mahnatoir Zokirov.

Comment) The Good Czar

- 112. (SBU) Indications are that Rahmon succeeded in using the televised government sessions to reinforce his image as a man of the people, the "Good Czar" who is frustrated by the bungling of his underlings. He seems to have taken an upper hand in his rivalry with Ubaidulloev. While he may have managed to avoid direct blame for many of the country,s troubles, we doubt he has diverted popular dissatisfaction Qtroubles, we doubt he has diverted popular dissatisfaction away from his government.
- 113. (SBU) Comment continued: Despite his lengthy criticisms and direct orders, Rahmon really did not outline specific plans for reforms. He presented vague outlines of plans and priorities, but there is no reason to believe that he -- or anyone else in his government -- has the political will or ability to implement significant reforms. The new &cotton team8 does not inspire confidence, and it is unclear where the 110 million somonis that Rahmon mentioned came from. It may have been Alimardon's bribe to keep a place in the inner circle despite the current cotton debacle. The changes in the finance sector are likely driven by pressure from international financial institutions and international donors, as Tajikistan continues to seek monetary support. End comment.

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JACOBSON